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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 1.26.2010

Wall Street Journal: "U.S. Opens Probe into AIG's Payout to Partners ... A U.S. government investigator is opening a probe into disclosures made as part of the government's rescue of American International Group Inc. when the company's trading partners were paid billions in November 2008."

Wall Street Journal: "Chinese Banks Take Steps to Rein In Credit ... Several Chinese banks have ordered some branches to suspend new lending for the rest of this month, people familiar with the situation said on Tuesday, as concerns rippled around markets in the region that China may take more aggressive action to rein in bank credit that is fuelling the country's rapid growth."

Wall Street Journal: "More Senators Declare Support for Bernanke ... More senators stepped up Monday to support a second term for Federal Reserve Chairman Ben Bernanke as business interests rallied to his defense and liberal grass-roots activists launched a push for his defeat."

Wall Street Journal: "Congress Is Politicizing the Fed ... Teddy Roosevelt once remarked of a financial crisis: "When people have lost their money, they strike out unthinkingly, like a wounded snake, at whoever is most prominent in the line of vision.'"

Wall Street Journal: "Bernanke rallies more Senate votes for confirmation ... Ben S. Bernanke's confirmation for a second term as Federal Reserve chairman appeared to be back on track Monday, as more senators indicated that they will support him when a vote is held in the days ahead."

Reuters: "U.S. bailout watchdog probes NY Fed on AIG disclosure ... U.S. bailout watchdog has launched two new investigations into the New York Federal Reserve Bank's actions on insurer AIG's disclosure of payments to banks after its 2008 rescue, excerpts of prepared congressional testimony showed on Monday."

Bloomberg: "Fed Weighs Interest on Reserves as New Benchmark Rate (Update1) ... Federal Reserve policy makers are considering adopting a new benchmark interest rate to replace the one they've used for the last two decades."

Bloomberg: "N.Y. Fed Investigated by Treasury's Barofsky Over AIG Bailout ... The Federal Reserve Bank of New York is being investigated by the chief watchdog for the U.S. financial bailout program about whether the regulator improperly limited disclosures about the bailout of American International Group Inc."

The Hill: "GOP decries 'phony war' on Wall Street ... Republicans are mounting a new effort to call Democrats hypocrites for raising populist ire at banks while continuing to accept millions of dollars in campaign money from them."

The Hill: "Top Republican blasts Bernanke foes for 'pandering populism' ... Opponents of Federal Reserve Chairman Ben Bernanke's second term are guilty of "pandering populism," Sen. Judd Gregg (R-N.H.) argued Monday ."

Politico: "TARP IG opens new probes of AIG ... The government watchdog of the Troubled Asset Relief Program has opened two new investigations as a result of documents obtained as part of a House investigation into the insurance giant AIG."

